



Matthew W. Gissendanner
Assistant General Counsel

matthew.gissendanner@scana.com

February 14, 2018

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Petition of South Carolina Electric & Gas Company for authorization to defer incremental operation and maintenance expenses that will be incurred as a result of complying with certain requirements promulgated by the United States Nuclear Regulatory Commission; Docket No. 2012-277-E

Dear Ms. Boyd:

By Order Nos. 2012-780 and 2015-298, issued in the above-referenced docket, the Public Service Commission of South Carolina ("Commission") authorized South Carolina Electric & Gas Company ("SCE&G" or "Company") to defer and record as a regulatory asset up to \$4,500,000 in incremental operation and maintenance expenses that SCE&G will incur as a result of complying with certain requirements promulgated by the United States Nuclear Regulatory Commission. As part of its order the Commission stated, "[t]he Company shall provide to the Commission and to ORS quarterly updated reports of the deferral of any associated incremental operation and maintenance expenses." See Order No. 2012-780 p.5. The purpose of this letter is to provide the Commission and ORS with a status update of the deferral account.

As of December 31, 2017, the incremental operation and maintenance expenses booked to the deferral account totals \$4,242,682.29.

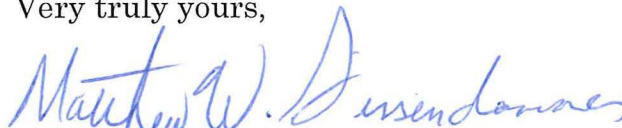
By copy of this letter, SCE&G is providing the South Carolina Office of Regulatory Staff with this status update of the deferral account.

(Continued . . .)

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If you have any questions or need additional information, please do not hesitate to contact us.

Very truly yours,



Matthew W. Gissendanner

MWG/kms

cc: Dawn Hipp
Jeffrey M. Nelson, Esquire
(both via electronic and U.S. First Class Mail)